ONE HUNDRED TENTH CONGRESS

## Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM 2157 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515-6143

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July 12, 2007

The Honorable John Murtha Chairman The Hon. C. W. Bill Young Ranking Republican House Appropriations Subcommittee on Defense Room H149, The Capitol Washington, DC 20515

To the Chairman and Ranking Member:

As your Subcommittee continues work on the Fiscal Year 2008 Appropriations Bill, I write to respectfully request your support for substantially increased funding for the Defense Security Service (DSS), specifically the personnel security function involving security clearances for Defense and contractor personnel. According to DSS budget justification documents, \$414,400,000.00 is needed to meet critical operational and program improvement needs next year.

DSS remains seriously underfunded. It appears the Department's recent \$25 million reprogramming request for DSS was pared back to \$15 million. That means DSS will once again be required to limit, or suspend, processing of contractor clearances in order to avoid a violation of the Deficiency Act. As you may know, last year at this time DSS stopped accepting contractor clearance requests altogether for a substantial period, seriously disrupting contract performance schedules and increasing costs.

The Pentagon agency responsible for critical security functions continues to teeter on the brink of insolvency and remains dependent on inter-departmental transfers and annual reprogramming actions just to meet steady-state demand for clearances. Any spike in applications would both surprise and paralyze DSS because the Department still has no reliable system to anticipate, much less meet, contractor clearance requirements. In last year's Appropriations Act, you specifically tasked DoD "to resolve the budgetary problems facing DSS" and report "on plans to more accurately build future DSS budget submissions." That report was due December 29, 2006. To my knowledge, it has not been submitted.

<sup>&</sup>lt;sup>1</sup> Conference Report to accompany H.R. 5631, An Act Making Appropriations for the Department of Defense for the Fiscal Year Ending September 30, 2007. House Report 109-276.

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Thank you for your attention to this important issue. Your continued support and oversight of the DSS budget are both needed and appreciated. If you have any questions or should you need additional information, please do not hesitate to contact me or of my Committee staff at x5-5074.

Sincerely,

Tom Davis

Ranking Republican Member

Committee on Oversight and Government Reform